

Message Text

LIMITED OFFICIAL USE

PAGE 01 CANBER 01671 170739Z

21

ACTION EB-07

INFO OCT-01 EA-06 IO-10 ISO-00 AGR-05 CIAE-00 COME-00

INR-07 LAB-04 NSAE-00 SP-02 STR-01 TRSE-00 CIEP-01

FRB-03 OMB-01 /048 W

----- 082855

R 170707Z MAR 75

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 5297

INFO USMISSION GENEVA

LIMITED OFFICIAL USE CANBERRA 1671

PASS AGRICULTURE

EO 11652: N/A

TAGS: ETRD, AS

SUBJ: AUST. WOOL CORP. PLANS FOR U.S. MARKET

REF: 052252

1. AGATTACHE CALLED ON DEPARTMENT OF AGRICULTURE'S MEMBER OF AUSTRALIAN WOOL CORPORATION BASED IN CANBERRA TO EXPRESS U.S. CONCERN ON POINTS IN REFTEL. HE WAS ALREADY AWARE OF U.S. CONCERN ON THIS MATTER.

2. RECENT LEGISLATION PASSED BY AUSTRALIAN PARLIAMENT HAS GIVEN THE AWC NEW AND BROAD POWERS TO MARKET WOOL AGGRESSIVELY AND HE SAID THAT THE CORPORATION INTENDS TO CARRY OUT THIS MANDATE. HE CONFIRMED THAT U.S. WOULD BE THE PRIME TARGET FOR ITS PROMOTION EFFORTS. HE SAID THAT WHILE MOST OF THE EARLY STATEMENTS AND PRESS COVERAGE ABOUT AWC'S POTENTIAL PROMOTION ACTIVITIES WERE FAIRLY ACCURATE, OR AT LEAST WELL WITHIN THE REALM OF POSSIBILITY, HE FELT SOME HAD DEFINITELY SPECULATED TOO MUCH PARTICULARLY ABOUT OFF-SHORE WOOL APPAREL PRODUCTION.

3. HE EMPHASISED THAT NO SPECIFIC PLANS HAVE BEEN MADE FOR
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CANBER 01671 170739Z

THE U.S. MARKET AS YET. AWC HAS CONTRACTED FOR A STUDY OF U.S.

MARKET AND WILL AWAIT RESULTS BEFORE ANY MARKETING EFFORTS ARE UNDERTAKEN. THE MAIN PROMOTION THRUST HE THOUGHT WOULD LIKELY BE IN THE FORM OF JOINT CAMPAIGNS WITH U.S. MANUFACTURERS AND LARGE RETAIL CHAINS AIMED AT INCREASING TOTAL WOOL CONSUMPTION MOSTLY IN MEN'S SUITS. HE SAID AWC WILL WANT TO EXPLORE ALL ALTERNATIVES FOR PROMOTING WOOL, AND WOULD NOT NECESSARILY EXCLUDE THE POSSIBILITY OF MARKETING PROCESSED WOOLEN PRODUCTS FOR ITS OWN ACCOUNT.

4. HE POINTED OUT THAT THE OFF-SHORE WOOLEN SUIT PRODUCTION IDEA HAD DRAWN SHARP CRITICISM BOTH AT HOME AND ABROAD. THE AUSTRALIAN TEXTILE INDUSTRY AND UNIONS HAVE SHARPLY CRITICIZED IT, CLAIMING IT WOULD FINANCE OFF-SHORE PRODUCTION AND THEREBY EXPORT JOBS. HE SAID AWC IS WELL AWARE OF BILATERAL TEXTILE RESTRAINT AGREEMENTS BY U.S. AND ALSO THE ADVERSE EFFECTS THAT SUCH A PROMOTION PROGRAM COULD HAVE ON ALL WOOL SALES TO U.S. HE SAID THIS CAN NOT BE OVER-LOOKED FROM A PUBLIC RELATIONS POINT OF VIEW.

COMMENT: THE AWC WILL LIKELY PUT INITIAL EMPHASIS ON GETTING MORE RAW WOOL INTO THE U.S. AWC IS ALREADY MAKING PLANS TO BUILD-UP WOOL STOCKS IN U.S. AWC FEELS THAT ITS NEW POLICY TO REDUCE PRICE VARIABILITY (FLOOR PRICE PLAN) WILL HELP BOOST CONSUMPTION AS FOREIGN MILLS CAN STOCK WOOL WITH SOME DEGREE OF CONFIDENCE THAT PRICES WILL NOT DROP. AT SOME STAGE AUSTRALIA WILL LIKELY BRING UP THE U.S. WOOL TARIFF ISSUE AGAIN BUT THIS WILL BE BY GOA NOT THE AWC.

IT APPEARS THAT THE PROTESTS ALREADY VOICED HAVE BLUNTED THE OFF-SHORE WOOLEN APPAREL PRODUCTION SCHEME BEFORE IT HAS EVEN BEEN SERIOUSLY CONSIDERED BY AWC.

HARROP

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CLOTHING, WOOL, IMPORTS, MARKETS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MartinML
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CANBER01671
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750092-0312
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750345/aaaabojw.tel
Line Count: 93
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 052252
Review Action: RELEASED, APPROVED
Review Authority: MartinML
Review Comment: n/a
Review Content Flags:
Review Date: 30 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 JUN 2003 by KelleyW0>; APPROVED <12 NOV 2003 by MartinML>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: AUST. WOOL CORP. PLANS FOR U.S. MARKET
TAGS: ETRD, AS, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006